Maryland Aquaculture Coordinating Council Minutes – March 8, 2012

Members Attending:

Craig Mask Karl Roscher Don Webster Joanna Kille Andy Lazur Ben Parks Mindie Burgoyne Matt Rowe

Erin Butler

Guests:

Heather Barthel, MDE Steve Schneider, DNR Chris Judy, DNR Kim Colbourne, DHMH Amy Crockett, Student Larry Jennings, CCA William Cox, Cox/Simmons Katie Busch, DNR Becky Thur, DNR John Orme, Leaseholder Laurie Orme, Leaseholder Kathy Brohawn, MDE

Rob Witt, Leaseholder Terry Witt, Leaseholder

Steve McHenry, MARBIDCO Eric Greene, Eric Greene Associates
John Devine, Barren Island Oysters Jon Farrington, King Solomon Aquafarms

William Mahoney, MD Coastal Bays Program

Opening and Introduction

Vice Chairman Webster opened the meting at 6:30 pm and welcomed attendees. Minutes of the January 12, 2012 meeting were accepted without reading. The Interstate Shellfish Seminar will be held April 17-19 in Cape May, NJ. Additional information about the meeting can be found on the ECSGA and ISSC websites.

Shellfish Aquaculture Update

Mr. Roscher provided council members with a summary of shellfish aquaculture permitting activities. Since September 2010 the Division has received 115 applications for leases. Thirty two of those applications have resulted in an executed lease, eight of which have been since the last meeting, 10 are close to being executed, 32 have been withdrawn 59 are still in process and 2 are still incomplete. Of the applications currently in process, 58 of those have been submitted by Tidal Fish License (TFL) holders. Those leases that have been executed or are close to being executed total nearly 1100 acres.

Mr. Roscher indicated that two lease applications are on hold due to protests filed during the public comment period. A lease application in the South River has been forwarded to the Office of Administrative Hearings for a contested case hearing in late April. The Department is working toward a compromise between the lease applicant and protestants of another application in Irish Creek.

Leasing activity since 9/7/10:

Lease Site Totals		Acreage Totals
115	Submitted since 9/7/10 (SLL+WC)	2994.611
18	Executed since 9/7/10 (SLL only)	606.05
14	Executed since 9/7/10 (WC only)	59.36
32	All executed since 9/7/10	665.41
10	Pending Execution (SLL+WC)	453.5
32	Terminated/Withdrawn	1268
59	Still in process since 9/7/10 (SLL+WC)	729
2	Incomplete	13
53	All submitted since 8/1/11	438.8293
27	Water Column submitted since 8/1/11	95.6293
8	Water Column executed since 7/1/11	21.38
16	Sanctuary submitted since 8/1/11	90.8
0	Sanctuary executed since 8/1/11	0
20	Permitted by ACOE since 9/7/11	738.09

Shellfish Aquaculture Financing Program

Mr. McHenry provided an update on the Shellfish Aquaculture Financing Program. He reported that MARBIDCO has reviewed and approved 26 projects for a total of \$1.7 million. Twenty-two of these loans were approved to Tidal Fish License (TFL) holders and span 10 counties. Mr. McHenry announced that there will be \$660,000 available in 2012 for seed and shell purchases; however applicants must hold a valid TFL in order to apply. He also informed council members that the FY2013 budget provides an additional \$500,000 for equipment purchases. Mr. McHenry informed the Council that there would be about \$200,000 a year for the next three years for funding remote setting operations. The terms of these loans differ slightly from other loans currently being issued. The deadline for the remote setting applications is April 27th.

Mr. Webster asked if there will be additional rounds of funding if all of the money is not allocated during the first round. Mr. McHenry responded that there would be an additional round of funding and that there would be an additional \$200,000 available next year if all funds this year are exhausted.

Ecosystems Markets Program

Ms. Payne of Maryland Department of Agriculture presented a 10 minute video providing an overview of the Ecosystems Markets Program. The program includes three major categories of projects. Oyster aquaculture would qualify under category 3 for new innovative technologies. Because there are no reliable estimates of their nutrient removal

performance capabilities additional scientific analysis and technical review are necessary to evaluate the efficiencies of utilizing a new technology such as oyster aquaculture in a nutrient trading program such as this. Ms. Payne provided a handout that summarized the program and gave a brief overview of the process necessary for an oyster aquaculture program to be certified.

TEDCO/ARS Agriculture and Aquaculture Forum

Mr. Webster announced the Agriculture and Aquaculture Forum to be held on March 15, 2012 at the Elks Club in Easton. He noted that there would be an oyster aquaculture track with presentations including water quality, marketing, permitting and funding.

Oyster Aquaculture Education and Training Program

Mr. Webster discussed education and training programs in 2012 through the "Oyster Team" between Maryland Department of Natural Resources, University of Maryland Extension, Oyster Recovery Partnership and MARBIDCO. Included in the 2012 programs will be 4 regional workshops across the State.

There are plans to add an additional remote setting capacity with a new system in Nanticoke and additional setting tanks at some other existing locations. These facilities can be reserved for 2 week blocks by growers with valid leases. The leaseholder must provide shell and labor and the program will provide larvae and technical training for participants.

In June, the group will again host an Oyster Hatchery Short Course at the Horn Point Lab at no cost to Maryland and Virginia participants. Also in planning is a field day at Horn Point this fall and the annual Maryland Shellfish Aquaculture Conference to be held again this year in November.

Council Annual Report

Mr. Roscher updated the council that the Annual Report is nearing completion. The main recommendations of the report are for increased support to the Natural Resources Police; facilities at the Cooperative Oxford Lab supported to provide increased services for disease screening; and progress toward authorizing the sale of farm raised oysters smaller than the current public 3 inch size limit. Mr. Roscher stated that he would send the report to the Council within the next week for review.

2012 Legislation Update

Mr. Roscher updated the Council on legislation proposed during the 2012 session. A hearing will be held on Friday on the Departmental Bill that proposes to:

- 1. Reduce the required public notice period for all leases from 4 consecutive weeks to 2 weeks. The current process is costly and time consuming, requiring a total comment period of 60 days and incurring publication costs that can exceed \$1000.00 per applicant.
- 2. Authorize the Department to establish application and lease rental fees for water column aquaculture.

3. Remove antiquated language requiring a \$15 special permit for dredging in several counties.

In addition, the Department will be introducing an amendment that will authorize the Department to set size limits for farm raised oysters by regulation.

Nursery Permits

Mr. Roscher outlined the requirements for projects to be permitted under a nursery permit issued by the Department. The application can be found online at http://www.dnr.state.md.us/fisheries/oysters/industry/aquaculture/forms/NurseryPermitA pplicationRev01-09-12.pdf.

Mr. Mask announced that the USDA NRCS has money available for shell. If you are interested in this program should visit their local soil conservation office or talk directly to Mr. Mask.

Public Comment

Mr. Farrington announced that some interested individuals in Southern Maryland have formed the Southern Maryland Shellfish Growers Association. The group currently consists of 30 interested people who have held 2 meetings and elected several individuals to leadership positions.

Adjourn

Motion (Lazur/Parks) to adjourn. Next regular meeting will be Thursday May 10, 2012, at 6:30 p.m. at the Maryland Department of Natural Resources, C-1 Conference Room.

Respectfully Submitted,

Kathryn Busch DNR